
RECORD OF PROCEEDINGS

Minutes of the Special Meeting of the Board of Directors of the Granby Ranch Metropolitan District November 4, 2015

The Special Meeting of the Board of Directors of the Granby Ranch Metropolitan District, Town of Granby, Grand County, Colorado, was held at the Ranch Hall at Granby Ranch, 998 Village Road, Town of Granby, Grand County, Colorado, in accordance with State law.

Attendance The following Directors were present and acting:

- Kyle Harris
- Lance Badger
- Julie Krueger
- Jay Gleason (via phone)

Also in attendance were:

- Clint Waldron, Esq. White Bear Ankele Tanaka & Waldron
- Eric Weaver, Marchetti & Weaver LLC
- Kathy Lewensten, Marchetti & Weaver LLC (via phone)
- Rusty Thompson, Granby Realty Holdings
- Mary Packer, Granby Ranch
- Natascha O'Flaherty, property owner
- Jonathan Heroux, Piper Jaffray (via phone)

Call to Order The Special Meeting of the Board of Directors of the Granby Ranch Metropolitan District was called to order by Director Harris at 11:00 a.m. noting a quorum was present.

**Disclosure of Potential
Conflicts of
Interest**

The Directors reviewed the agenda for the meeting, following which each Director confirmed the contents of any written disclosure previously made, stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Each director also confirmed that nothing appeared on the agenda for which disclosure certificates had not been filed. The Board noted, for the record, that these disclosures are restated at this time with the intent of fully complying with laws pertaining to potential conflicts. Additionally, the Board determined that participation by the directors with potential conflicts of interest was necessary to obtain a quorum or otherwise enable lawful action to occur.

**Consideration of
Agenda**

No changes were made to the agenda.

Minutes

The Board reviewed the minutes of the meeting held on September 2, 2015. Upon motion duly made and seconded, it was unanimously

RECORD OF PROCEEDINGS

Granby Ranch Metropolitan District November 4, 2015 Meeting Minutes

RESOLVED to approve the September 2, 2015 Special Meeting Minutes as presented.

Bond Refinancing Mr. Heroux reported on matters related to the 2006 bond refinancing. The bank placement proposals have not provided as favorable of a response to the placement request as expected. The coverage ratios being required are higher than expected and the par amounts and terms are not favorable. One alternative for consideration would be to proceed with a bond offering to the open market. Mr. Weaver referred to the worksheet that had been included in the packet that reflected both options sources and uses of funds and potential repayment schedules. Pros and cons of different scenarios were offered for discussion. If a bond offering were chosen it was thought the timeline would be 2 to 3 months to closing. Mr. Weaver and Mr. Heroux recommended engaging Butler Snow to draft the offering documents. Mr. Heroux stated interest rates are expected to range from 1.8% to 5.25% based on the specific year of maturity. The District could consider extending the maturity out an additional 6 years which may offer some additional benefit. The Board discussed how to fund operations costs in the future, either by potentially freeing up funds as part of the bond refunding and/or to ask the Town for a service plan amendment to allow an increase in the mill levy. Upon motion duly made and seconded, it was unanimously

RESOLVED to authorize Piper Jaffray along with the committee to pursue the bond offering alternative and engaging Butler Snow as bond and disclosure counsel.

Posting Notice Mr. Waldron reviewed the posting notice resolution included in the packet. The location will remain the Kiosk at the intersection of County Road 894 and Ten Mile Road. As discussed in the HWMD meeting earlier a committee will consider alternate locations for additional informational postings. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Resolution Designating the District's 24-hour Posting Location.

**2016 Annual
Administrative
Resolution**

The annual administrative resolution included in the packet was reviewed. Upon motion duly made and seconded it was unanimously

RECORD OF PROCEEDINGS

Granby Ranch Metropolitan District November 4, 2015 Meeting Minutes

RESOLVED to approve the 2016 Annual Administrative Resolution.

**May 2016
Election**

The Board reviewed the May 2016 Board of Directors election resolution. If there are no more candidates than open seats the election can be cancelled. Upon motion duly made and seconded, it was unanimously,

RESOLVED to approve the May 2016 Election Resolution.

**White Bear Ankele
Tanaka and Waldron
Engagement Letter**

Mr. Waldron reviewed the engagement letter from his firm. Director Krueger asked the days noted in item 6 for record retention be extended to ninety days. Mr. Waldron agreed to this change. Mr. Waldron also advised the Board that as he is not independent as to the engagement, the Board has the right to seek independent counsel's review of the engagement letter. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the Engagement Letter with White Bear Ankele Tanaka and Waldron, PC as revised.

**Executive
Session**

The Board determined an executive session was not necessary.

**Financial
Statements**

Mr. Weaver reviewed the September 2015 preliminary financial statements which included the 2016 budget. Upon motion duly made and seconded, it was unanimously

RESOLVED to accept the preliminary September 2015 financial statements.

2016 Budget

Director Harris opened the public hearing for the 2016 budget. Mr. Weaver explained he had presented two versions of the 2016 budget, one based on a bank placement and one based on a bond offering. After the discussion above he will move the bond offering refunding into 2016. The mill levy will be gallagherized based on the final assessed valuation. The Board expressed their concern with the various revisions that would need to be made to the 2016 budget and requested action be delayed until it could be presented in the final form. Ms. O'Flaherty offered several comments related to other District budgets and expressed her opinion.

RECORD OF PROCEEDINGS

Granby Ranch Metropolitan District November 4, 2015 Meeting Minutes

The public hearing was continued to a special meeting tentatively scheduled for November 20 at 11:00 a.m.

2015 Audit Engagement Letter

Mr. Weaver recommended continuing the services of Chadwick, Steinkirchner & Davis, P.C. for the 2015 audit. He noted there had been a \$50 increase in the fee. Mr. Waldron requested the inclusion of Illegal Aliens provisions. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the engagement letter with Chadwick, Steinkirchner & Davis, P.C. for the 2015 Audit as revised.

MWLLC Engagement Letter

Mr. Weaver asked the Board to consider approving new engagement letters. The fees will continue to be billed hourly. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the engagements letter with Marchetti & Weaver, LLC.

Public Input

Ms O'Flaherty presented several observations and concerns to the Board.

Continuation

Upon motion duly made and seconded it was unanimously

RESOLVED to continue the Special Meeting of the Granby Ranch Metropolitan District to the 20th day of November at 11:00 a.m. in the same location.

Respectfully submitted,
/s/ Kathy Lewensten
Secretary for the Meeting